Opening Day Address of Speaker of the House, Calvin K.Y. Say

Most parents work hard trying to make life better for their kids, better than it was for us when we were growing up. The value of doing this is taught by almost every religion and culture on the planet. It is called stewardship. We must be good stewards today to build a better Hawaii for tomorrow.

We are facing enormous challenges as a nation, and as a state. Our people are looking to us for real leadership, but our ability to be good stewards will be tested in a different way this year. In many ways, this year will be a defining moment in Hawaii's history.

For the first time in 14 years, we begin our deliberations today with a budget surplus. So instead of trying to figure out what to cut and what to say "no" to, we have a very different set of challenges. Let's call it the 600 million dollar question. No one seems to have much trouble coming up with an answer to that question. A long line of people is waiting at the State Capitol doors with their ideas and proposals.

We need to take a collective deep breath and think hard before we decide what to do. As good stewards, we know there is a significant responsibility on our shoulders. We must make the right choices. Why? Because we may not have another chance like this for a long time. Each one of us must choose – and we must choose wisely.

Cutting taxes is an easy thing to do and maybe that's what we'll decide to do at the end of the day. 300 million dollars is a lot of money, but when you add up your share of the refund, what do you get? Enough extra to buy another locomoco every week or another plate lunch.

Think about what else we could accomplish with that money. Think about our kids sitting in a classroom where the roof is leaking, without a decent cafeteria, without enough books in the library. Think about our harbors that are falling apart. Think about the water we will need to grow our own food, or maybe you think we should continue to import 90 percent of the food and energy we use every year? Think about how much money you need to buy a house. Most of

all – think about the future our kids will inherit if we don't make the right choices.

The world is changing fast, but right now we have the opportunity to invent our future. We have the means to do it. We have the brains, the heart, the strength, and now we have the money. But, do we have the will?

Let's start in the classroom where our future begins. We have a huge backlog of school repairs. The Governor wants to spend only 63 million dollars to fix our schools. It is not enough. We need twice that amount, and we need it now. We know that as good stewards who want to build a better Hawaii, we must make the quality of our public schools the number one priority. We need to listen to the rising tide of voices in Hawai'i that demand we get our priorities straight.

We started on the right track two years ago when we passed comprehensive education reform. We gave principals and teachers the power to make decisions at the school and inside the classroom. We raised teacher salaries. Now let's finish the job by fixing our public school buildings. This is our highest priority. We propose spending 150 million dollars to fix our schools.

At the University of Hawaii, we will provide an additional 84 million dollars to undertake repair and maintenance of our campus buildings. We know our kids deserve better and now we have the means to do it. As good stewards, we can do no less.

Our schools are more than just places to learn. They are critical shelters for emergencies. It is not a question of <u>if</u>, but <u>when</u> a hurricane strikes Hawaii again. We cannot rely on the federal government to help us out. Katrina taught us that lesson. When it comes to trouble – we need to be able to make it on our own. The sooner we act on that knowledge the better.

So when we fix our public schools, we need to strengthen these school buildings for public shelter in an emergency. We need to make sure that adequate shelter is provided for our animals as well. We saw what happened in New Orleans as thousands of people refused to leave their homes because there was no place to take a family pet.

Government must set the standard for good stewardship. Our schools and other public buildings should be models for renewable energy. The people of Hawaii

have waited too long for a real energy policy, a policy with long-term incentives for renewable energy: wind, solar, geothermal and biofuels.

As economics writer Thomas Friedman said, "Living green is now the new red white and blue." There is no reason that Hawaii shouldn't lead the way in demonstrating what can be done by living green.

The traditions of our island culture are wide and deep. Those traditions teach us that we are more than just the sum of our parts. Our culture is rooted in the land and here is where our stewardship for the future is most important. Our open lands and green spaces are a big part of what makes Hawaii a special place. Last year we took a bold step in establishing the Legacy Lands program. This program protects one of our most precious resources for future generations. As good stewards, we must increase funding for our Legacy Lands.

Waimea Valley showed all of us what can be done when public and private groups work together. I call on all private landowners to join us as good stewards of the land. We must help the farmers who grow food on our land and restore the precious water system that supports our very way of life.

Private landowners must learn the wisdom of leaving the land better than they found it. Private landowners must stop treating our farmers as short-term tenants and private landowners must join us in a public-private partnership to fix our state's irrigation systems. We will help you to make those repairs. We recognize that it is in our common interest to do this, but in exchange for our help, we will insist that the areas adjacent to these irrigation systems be designated as Important Agricultural Lands.

I listen to our farmers and I listen to our business forecasters. They both agree: Diversified agriculture is a wave Hawaii can ride into the future. Nobody should feel safe knowing that we now import almost all our food. We need to grow more of our food locally. All around our Islands, groups of farmers are breaking new ground in developing diversified agriculture, but they need private landowners to give them more than just a one-year lease. It is hard to grow a business when you don't know what your future on the land will be.

Good stewards look out for the land and they also look out for the people living on the land. Housing is a big problem. We all know it, and we intend to help

solve it. Right now, working men and women are getting squeezed out. They can't buy. They can't afford to rent. Our homeless population is growing.

Let me be honest with you, I couldn't afford to buy my own home today at the price the County says it is worth.

To help our Island's working men and women, we will increase funding for public-private partnerships to build more affordable housing and rentals over the next five years. Our five-year-goal is to put ten-thousand new affordable homes on the market.

Good stewards know that the promise of a brighter future is the greatest legacy we can leave to our children. For the first time in our history, we have the opportunity to create new businesses and better paying jobs that don't hurt our environment. We have worked for a long time to build new industries that complement and respect Hawaii's natural beauty and resources. Now we are at a tipping-point and the opportunities for our children's future hang in the balance. We are in a position to realize the payoff in new jobs being created in life sciences, community healthcare, digital media, advanced technology, ocean sciences, telecommunications and alternative energy.

We envision a 100 million dollar innovation fund to stimulate economic development in these areas, but it is not enough just to give out the money. To make sure we achieve results, we will put project funding in the hands of the experts, and we will create a public-private partnership to provide business and marketing assistance to the projects that are approved. The bottom line for this fund is better paying jobs for our keiki. The bottom line for this investment is when a local parent can turn to a son or daughter and say, "You don't have to leave the Islands to have a prosperous future."

Can we achieve this? I believe we can. In fact, it is already happening. With us are some unsung heroes of this new success, and because we don't always remember how important it is to celebrate our success, I want you to meet them. Maybe you noticed them earlier. I think they were answering e-mails on their "Blackberrys" while I was speaking.

I wanted to introduce you to Dustin Shindo of Hoku Scientific. His company is doing pioneering work in cell membranes. Dustin was in the chamber, but he told me he had to leave to make a deal. I know we all wish him good luck closing that deal.

Hoku Scientific is a great example of Hawaii's potential for home-grown ingenuity. Dustin, and his former Waiakea High School classmate, Kaleo Taft, developed an effective technology for fuel cell membranes. Dustin and Kaleo successfully launched their company's Initial Public Offering just last year.

Randy Cates raises Moi. Randy's company is the first aquaculture firm in the nation to be granted an open-ocean leasing agreement to raise fish in submerged cages offshore. Hawaiian culture recognizes the Moi as the fish of the Ali'i. Thanks to Randy's efforts Moi is now being raised and exported across the United States for everyone to enjoy.

Hank Wuh is the founder and CEO of Cellular Bioengineering. This Iolani graduate recently received the "2005 R-&-D 100 Award" for the development of the Neural Matrix Chip. The chip that Hank and his brilliant team at CBI developed was rated one of the hundred most significant innovations in the United States last year.

Vaughn Vasconcellos is president and CEO of Akimeka, LLC. This Kamehameha Schools graduate served in the United States Army for fifteen years before starting his own high tech company. Akimeka has operations on Maui and here in Honolulu. Among the most important things they do are advanced, electronic-based health services that help keep our military safe.

Dr. Richard A. Diverse, Director of Instrument Research for Plain Sight Systems, chose to remain in Hawaii and build his company on the Big Island. This U-H Hilo graduate is responsible for the development of an entirely new class of instruments based on optical domain computation for chemical measurement. I have to be honest with you, I have no idea what that is. But Richard's device will soon become the gold standard for this technology.

Dr. Anton Krucky, CEO of Tissue Genesis, is developing tissue replacement products to improve survival rates for trauma injuries, cardiovascular diseases, cancer and metabolic diseases. Dr. Krucky moved his business to Kaka'ako to work more closely with the new medical school. Tissue Genesis invented a Bio-optimization System, as a way of creating an engineered environment for cell and tissue growth.

Myron Thompson and Robin Danner are the driving forces behind Hawaiian Homestead Technology. Their company does top level work in digital imaging. The people who work for Hawaiian Homestead Technology come from Anahola, Waimanalo and Papakolea Homesteads. In less than a year, these workers have learned new skills and landed good jobs with a future, and most important, these good technology jobs are helping economically challenged Native Hawaiian communities. The profits from Homestead Technology are invested back into the community.

These eight people are pioneers of Hawaii's new innovation economy. Along with us, they share a common belief that in the rush toward technology, we can never lose sight of the human person. We will not undertake these challenges just so we can boast of having a bigger economy. We are doing this to raise the standard of living for everyone. We are doing this to make good on our commitment as good stewards today who will build a better Hawaii for tomorrow. We must build this society and our educational system to maximize our people's ability to innovate, export and compete.

My heart tells me the best is yet to come for Hawaii. My heart tells me our people will soon do even greater things. My heart tells me we will rise to the challenge. And along with all of you, I am grateful to be alive to see it happen.